

DRAFT TESTIMONY GOVERNOR JOHN LYNCH

The Honorable Edward Markey, Chairman
Select Committee on Energy Independence and Global Warming
H2-250 Ford House Office Building
Washington, DC 20515

Re: Testimony at Global Warming Mountaintop Summit

Dear Chairman Markey and Members of the Committee:

Thank you for holding the inaugural meeting of the Select Committee on Energy Independence and Global Warming on the Summit of Cannon Mountain. I am pleased to testify regarding the significant impact of global warming on New Hampshire's economy and quality of life. New Hampshire continues to be a leader in addressing global warming by taking numerous actions at the state level as well as participating in regional efforts like the Regional Greenhouse Gas Initiative and formation of the "The Climate Registry". Foremost, I urge the Select Committee on Energy Independence and Global Warming to recognize the leadership the States have taken on this issue and to work as partners with them on compatible federal legislation that will achieve reductions in greenhouse gases from multiple sectors.

Research by the University of New Hampshire shows that New Hampshire is already experiencing impacts from global warming such as increased average summer and winter temperatures, less snow cover, earlier river ice-out and spring high flow, and greater frequency of intense rain events. In fact, New Hampshire has experienced three 100-year flood events in two years resulting in over \$35 million damage to roads, bridges, and private property.

The 2006 Northeast Climate Impacts Assessment has predicted that the Northeast, by late in the century, will see the winter snow season cut in half, sea-level rise up to nearly three feet, and more than 60 days with temperatures over 90°F in most cities, including 14 to 28 days with temperatures over 100°F (compared with one or two days per year historically). These predicted impacts will affect many aspects of our economy including our forest industry and tourism, and additional significant infrastructure costs for our cities and towns. Increased summer high temperatures exacerbate air pollution and create health concerns for our citizens especially children, the elderly, and those with respiratory ailments.

New Hampshire was an early leader in assessing the risks of climate change and in taking proactive steps to identify and implement strategies to reduce greenhouse gas emissions including: establishing state-wide energy efficiency programs, helping to develop the 2001 New England Governors/Eastern Canadian Premiers Climate Change Action Plan, implementing a first-in-the- nation state voluntary Greenhouse Gas Registry program, publishing a greenhouse gas inventory in 1997, issuing a climate change action plan in 2001, and adopting the 2002 New Hampshire Clean Power Act (RSA 125-O) which capped carbon dioxide emissions from the then existing fossil-fuel fired power plants to 1990 levels.

New Hampshire has continued to take actions at many levels including my Lead-by-Example Energy Efficiency initiative to improve the energy efficiency of state government operations by retrofitting existing buildings, setting higher energy efficiency standards for new buildings, improving the energy efficiency of the state vehicle fleet, and setting reduction goals for energy use in state operations. However, I would like to highlight three areas that are particularly relevant to future federal legislation: quantification of greenhouse gas emissions; expanding renewable energy; and regulation of greenhouse gas emissions through cap and trade mechanisms.

New Hampshire has joined 34 other states, two tribes, and two Canadian provinces in endorsing "*The Climate Registry*", which establishes a common platform for states and tribes to measure and report emissions of greenhouse gases in an accurate, transparent manner consistent across borders and industry sectors. It further builds on existing internationally-recognized measurement standards and reporting structures such as: "*The Greenhouse Gas Protocol*" of the World Resources Institute and the World Business Council for Sustainable Development; and the reporting protocols of the California Climate Action Registry. It will be designed to support various state actions such as voluntary greenhouse gas reporting, mandatory reporting, and regulatory programs such as cap and trade. Federal action to establish a similar national registry should recognize the standards and principles used to develop *The Climate Registry* and build on the extensive work that has already been conducted by these states.

In August 2006, I joined governors of both parties and business leaders from across the nation in endorsing the 25x25 Initiative, a national effort aimed at producing 25 percent of the energy consumed in the United States from clean, renewable power by 2025. To help meet this goal, I worked with a bipartisan group of legislators to develop and pass the Renewable Energy Act on May 11, 2007 requiring electric utilities in New Hampshire to meet renewable energy standards. A federal renewable energy standard needs to recognize New Hampshire's unique program as well as the renewable portfolio standards in the other 23 states that have moved forward with this type of initiative. Developing more renewable energy addresses global warming, energy security, and economic interests by encouraging cleaner home-grown energy resources. Increasing the percentages of all forms of renewable energy in an environmentally friendly way should be a top priority for future federal legislation.

New Hampshire has participated in the Regional Greenhouse Gas Initiative (RGGI) to develop a multi-state cap and trade program covering greenhouse gas emissions. RGGI is aimed at developing a program to reduce carbon dioxide emissions from fossil-fuel fired power plants in ten eastern states, while maintaining energy affordability and reliability and accommodating, to the extent feasible, the diversity in policies and programs in individual states. I have signed a Memorandum of Understanding to bring this initiative before the legislature for consideration in the 2008 session. Any federal program should be compatible with RGGI and be careful not to disadvantage those states that have taken such a bold leadership role in developing the first cap and trade program for greenhouse gases in the country.

Finally, I would like to emphasize that federal legislation is needed to address the transportation sector which is the second largest source of greenhouse gases in the United States.

The transportation sector is one of the more difficult areas for States to take action unilaterally. Congress is well positioned to work with the automotive industry to develop more stringent and economically beneficial Corporate Average Fuel Economy standards for passenger vehicles and trucks. Federal legislation should also include measures to reduce the carbon content of fuels and promote the development of biofuels that, over their life cycle, produce lower carbon emissions. Legislation should also promote transportation planning that encourages compact, transit-friendly development and alternatives to single occupancy vehicles.

I applaud the work this Committee is doing and thank you for taking the time to visit New Hampshire to directly seek our input. I offer New Hampshire's assistance and expertise in helping to craft any federal legislation that addresses this urgent and critical issue. It is imperative that federal legislation recognizes past and existing state actions and builds on the leadership that States have already demonstrated. For further information or assistance from the Department of Environmental Resources, please feel free to contact my Air Director, Robert R. Scott, Air Resources Division (271-1088, rscott@des.state.nh.us).

Sincerely,

John Lynch
Governor